

Administration of Joseph R. Biden, Jr., 2024

Statement on the Consumer Financial Protection Bureau Proposed Rule To Curb Banking Overdraft Fees

January 17, 2024

When companies sneak hidden junk fees into families' bills, it can take hundreds of dollars a month out of their pockets and make it harder to make ends meet. That might not matter to the wealthy, but it's real money to hard-working families, and it's just plain wrong. This is about the companies that rip off hard-working Americans simply because they can.

That's why today my administration took new actions to tackle these hidden fees by proposing a rule that would end excessive overdraft fees. For too long, some banks have charged exorbitant overdraft fees—sometimes \$30 or more—that often hit the most vulnerable Americans the hardest, all while banks pad their bottom lines. Banks call it a service. I call it exploitation. Today's proposal would cut the average overdraft fee by more than half, saving the typical American family that pays these fees \$150 a year. That would add up to save families \$3.5 billion every year. Unfortunately, some Republicans in Congress continue to defend these exploitative fees.

This is just one part of my administration's broader plan to lower costs for hard-working families. We're going to continue doing everything in our power to bring down costs and grow our economy from the middle out and bottom up, while standing up to extreme Republican attempts to provide more giveaways to the wealthy and big corporations and undermine competition.

Categories: Statements by the President : Banking overdraft fees, Consumer Financial Protection Bureau proposed rule.

Subjects: Banking overdraft fees; Consumer Financial Protection Bureau; Economic improvement; Junk fees imposed on consumers, prevention efforts.

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